



**COLORADO**

Department of  
Regulatory Agencies

Division of Securities

**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

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**MEDIA CONTACT**

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## **Colorado Securities Commissioner sanctions Denver based private equity firm Black Diamond Financial Group, LLC**

DENVER – Colorado Securities Commissioner Gerald Rome announced today that he has entered into a final cease and desist order against a Denver company and its manager for allegedly violating the securities broker-dealer licensing provisions of the Colorado Securities Act (the “Act”) in connection with their offer and sale of securities in Colorado.

Black Diamond Financial Group, LLC and Patrick W. M. Imeson (the “Respondents”) of Denver are named in the order.

The Division of Securities, a Department of Regulatory Agencies (DORA) division, alleged that from approximately September 2009 to November 2010 the Respondents offered and sold securities of associated entities known as BD Monetization Fund, LLC, Rackwise Funding LLC and Elkhorn Goldfields, Inc., and raised over \$8.6 million from investors.

In connection with such offers and sales of securities, the Respondents allegedly received compensation exceeding \$330,000 in the form of investment placement or structuring fees without being licensed as a securities broker-dealer. The Division of Securities alleged that the Respondents engaged in the business of effecting securities transactions and were required to be licensed with the Division.

The cease and desist order, which Black Diamond Financial Group and Patrick Imeson agreed to, orders the parties to immediately and permanently cease and desist offering or selling any security in or from Colorado in violation of the licensing provisions of the Act or otherwise engaging in conduct in violation of any provision of the Act.

A copy of the Cease and Desist order and related Stipulation can be obtained by calling the Division at 303-894-2320.

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*DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission. Visit [www.dora.colorado.gov](http://www.dora.colorado.gov) for more information or call 303-894-7855/toll free 1-800-886-7675.*